

EXHIBIT 130

**U. S. Department of Justice
FY 2016 Performance Budget
Congressional Submission
Federal Prison System
Buildings and Facilities
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I. Overview for the Bureau of Prisons, Buildings and Facilities (B&F) Appropriation

1. Introduction and Background

The Bureau of Prisons (BOP) was established in 1930 to provide more progressive and humane care for federal inmates, to professionalize the prison service, and to ensure consistent and centralized administration of the 11 federal prisons in operation at that time (now 121). The mission of the BOP, an agency of the Department of Justice (DOJ), is to protect society by confining offenders in the controlled environments of prisons and community-based facilities that are safe, humane, cost-efficient, and appropriately secure, and that provide work and other self-improvement opportunities to assist offenders in becoming law-abiding citizens.

For FY 2016, a total of \$140,564,000, with 239 positions and 109 FTEs is requested for the Buildings and Facilities (B&F) appropriation. The FY 2016 request supports DOJ Strategic Goal 3: Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal State, Local, Tribal and International Levels. Funding is included in this request to increase the Modernization and Repair (M&R) base program in order to help address critical major projects. Electronic copies of the Department of Justice's Congressional Budget Justifications and Capital Asset Plan and Business Case exhibit can be viewed or downloaded from the Internet address: <http://www.justice.gov/02organizations/bpp.htm>.

The United States Sentencing Commission (USSC) voted unanimously in April to amend the guidelines to lower the base offense levels in the Drug Quantity Table across drug types, which may mean lower sentences for most drug offenders going forward. In July, the Commission decided that judges could extend that reduction to offenders currently in prison, but with a requirement that reduced sentences cannot take effect until November 1, 2015. Under the guidelines, no offender would be released unless a judge reviews the case to determine whether a reduced sentence poses a risk to public safety and is otherwise appropriate. This measured approach reduces prison costs and populations and responds to statutory and guideline changes while safeguarding public safety.

2. Challenges

The BOP faces significant challenges in managing the large federal inmate population, and providing for inmates' care and safety in crowded conditions, as well as the safety of BOP staff and surrounding communities, within budgeted levels. BOP strives to accommodate the inmate population with a combined use of state, local and private sector contract beds, facility expansion, acquisition of existing structures, and construction of new prisons, as funding permits.

However, inmate crowding continues to be a major concern and challenge for the BOP. The size of the BOP inmate population exceeds the rated capacity of its prisons by 28-50 percent on average, depending on the security level (as of January 8, 2015). Rated capacity is the baseline used to calculate prison crowding, and assists in managing the BOP's inmate population to distribute the population throughout the system efficiently

and equitably. The calculation for determining rated capacity involves stratified double bunking across all security levels and includes the following formulas: minimum and low security institutions at 100 percent double bunking; medium security institutions at 50 percent double bunking and; high security institutions at 25 percent double bunking.

Thus far in FY 2015, the federal inmate population totals 210,624, and system-wide crowding is at 28 percent over rated capacity, with 50 percent and 37 percent at high and medium security institutions respectively (data as of January 8, 2015).

Prison Crowding has been identified as a Federal Managers Financial Integrity Act (FMFIA) material weakness, and has been reported as such each year since FY 2006 in the DOJ's Performance and Accountability Report (PAR). The Department of Justice has historically reported FMFIA information via the PAR. However, the Department now reports such information through an Agency Financial Report (AFR) instead of the PAR. In the FY 2014 AFR, prison crowding is again reported as a material weakness for the Department.

In describing the issue, the AFR states: "The BOP's formal Corrective Action Plan includes utilizing contract facilities; expanding existing institutions; and acquiring, constructing, and activating new institutions as funding permits. The BOP will continue to validate progress on construction projects at new and existing facilities through on-site inspections or by reviewing monthly construction progress reports." The report further states that "The Department's corrective action efforts are not limited to the BOP alone. The Department continues to consider and implement an array of crime prevention, sentencing, and corrections management improvements that focus on accountability and rehabilitation, while protecting public safety. The Department recognizes that the BOP's capacity management efforts must be teamed with targeted programs that are proven to reduce recidivism and promote effective re-entry."

In light of overcrowding and stresses on prison staffing, BOP's ability to safely manage the inmate population is identified as one of the top management and performance challenges facing the Department as identified by the Office of the Inspector General (OIG) List of Top Management Challenges for 2014. The OIG states "The Department of Justice continues to face two interrelated crises in the federal prison system. First, despite a slight decrease in the total number of federal inmates in fiscal year 2014, the Department projects that the costs of the federal prison system will continue to increase in the years ahead, consuming a large share of the Department's budget. Second, federal prisons remain significantly overcrowded and therefore face a number of important safety and security issues."

The following charts show representations of inmate cells at normal rated capacity versus overcrowded conditions at low, medium and high security levels.



= inmates housed at zero crowding

Low Security



= inmates housed in overcrowding situation

N O R M A L										

zero crowding

example at a **low security** prison

Rated Capacity: 2 inmates per cell, 20 cells, 100% double bunked.

O V E R C R O W D E D										

40% crowding

(56 inmates and 40 beds rated capacity) -86% of the inmates are triple bunked.

-14% of the inmates are double bunked.

Medium Security

N O R M A L										

zero crowding

example at a **medium security** prison

Rated Capacity: 2 inmates per cell in 50% of cells. 20 cells, 10 double bunked.

O V E R C R O W D E D										




















50% crowding

(45 inmates and 30 beds rated capacity)

-33% of the inmates are triple bunked -67% of the inmates are double bunked.

- 0% of the inmates are single bunked.



















High Security

N O R M A L										
										

zero crowding

example at a high security prison

Rated Capacity: 2 inmates per cell in 25% of cells. 20 cells, 5 double bunked.

O V E R C R O W D E D										
										

56% crowding

(39 inmates and 25 beds rated capacity)
 -97% of the inmates are double bunked.
 - 3% of the inmates are single bunked.

In the GAO report *Growing Inmate Crowding Negatively Affects Inmates, Staff, and Infrastructure* (GAO-12-743) released in September 2012, “The increased population taxes the infrastructure that was designed for a smaller inmate population, affecting use of toilets, showers, water, and electricity, and wear and tear on food service equipment (e.g., freezer units).” GAO goes on to state that “BOP has also experienced increased maintenance and repair costs, with 51 facilities over 30 years old and newer facilities also in need of maintenance and repair.” The full GAO report is available at: <http://www.gao.gov/products/GAO-12-743>

At the end of FY 2014, 20,592 (95 percent) high security inmates were double bunked, and 7,446 (13 percent) of medium security inmates and 29,682 (68 percent) of low security inmates were triple bunked or housed in space not originally designed for inmate housing, such as television rooms, open bays, program space, etc., with the remainder double bunked. Over 169,700 of the current federal inmate population are in facilities operated by the BOP. The remainder, 40,850 inmates or 19.4 percent, are in contract care including privately operated secure facilities, facilities managed by state and local governments, residential reentry centers, or home confinement. The percentage of inmates in contract care has steadily increased from 2 percent in 1980, 11 percent in 1990, and 14 percent in 2000, to 19.4 percent currently.

The following chart illustrates the actual and projected inmate population increases based on the current trends (with USSC decision):

Projected Population, Capacity, and Crowding

	2012 (Actual)	2013 (Actual)	2014 (Actual)	2015	2016
BOP Facilities					
Starting Capacity	127,795	128,359	129,726	132,803	133,928
Additional Approved/Planned	564	1,367	3,077	1,125	1,780
Subtotal Capacity	128,359	129,726	132,803	133,928	135,708
Pop. Projection	177,556	176,849	172,242	166,612	155,520
Percent Overcrowded	38%	36%	30%	24%	15%
Contract	41,131	42,449	41,907	42,437	43,642
Percent Contract	18.8%	19.4%	19.6%	20.8%	21.9%
Total Federal Prison Population	218,687	219,298	214,149	209,049	199,162

Note: The population projections are based on data and information from a variety of sources including the Administrative Office of the U.S. Courts, the U.S. Sentencing Commission, other DOJ components, and the BOP's own information system (SENTRY). The additional capacity projections shown above rely on enactment of funding for prison renovations, and prison activations. Projections beyond FY 2016 cannot be estimated at this time.

The B&F appropriation is comprised of two decision units:

- 1) New Construction: Funds the expansion of existing facilities and acquire or construct new prison facilities.
- 2) Modernization and Repair (M&R): Funds the maintenance of existing facilities to provide a safe and secure environment to continue prison operations, thereby protecting taxpayer capital investments.

As a strategy to try to effectively manage the large inmate population and overcrowding, the BOP continues to rely on a combination of contracts with private, state, and local vendors; increasing use of residential reentry centers and home confinement; expansions of existing facilities where infrastructure permits; acquisition and renovation of existing structures; and new prison construction, as funding permits. This request includes an increase to the M&R program to fund critical major repair projects.

M&R Program Increase

	Dollars (<u>\$000</u>)	<u>Pos.</u>	<u>FTE</u>
M&R Replacement Value Adjustment	<u>34,250</u>	<u>0</u>	<u>0</u>
Total Program Increases	\$34,250	0	0

The purpose of the M&R decision unit and program is to provide the necessary resources to undertake essential rehabilitation, modernization and renovation of buildings, other structures, and associated systems. This program provides the necessary modifications to meet legal requirements and accommodate correctional programs. Further, the M&R base program is also responsible for repair or replacement of utilities systems and other critical infrastructure and repair projects at existing institutions in order to keep all systems and structures in an adequate state of repair. The proper maintenance,

modernization, and repair of BOP institutions is essential. Failure to adequately maintain structures and utility systems erodes capital investment and multiplies the costs in future years for accomplishing the required repairs. Most importantly, failure to maintain structures can cause direct and indirect security problems. The BOP continues to allocate M&R funds primarily for emergency, life safety, and some of the highest priority major projects, annually. The BOP tries to follow the Federal Facilities Council Standing Committee on Operations and Maintenance Report Number 131 for maintaining existing prisons.

For FY 2016, funds are requested to increase the M&R base program which will help to address the current backlog of unfunded M&R priorities as well as equipment replacements and other infrastructure projects that have been neglected over the years, due to low funding. The BOP's goal is to maintain a safe and productive environment for staff and inmates. The level of annual resources being provided for the M&R program is not sufficient to maintain 121 prison facilities. The current funding level is only enough for the BOP to be reactive to emergencies as major infrastructure and life safety systems begin to fail and to address a limited amount of high priority major projects, annually. The BOP recently initiated the activation of USP Yazoo City, MS and anticipates beginning the activation process at Administrative USP Thomson, IL during FY 2015/FY 2016. As these facilities become fully operational, any repairs or maintenance above the \$10,000 threshold will be funded from the M&R program. Within the resources dedicated to the M&R program in FY 2015, the BOP proposes to address 33 major repair/replacement projects, and there are currently 223 on the waiting list (e.g., fence, roofs, HVAC, fire alarms). Proper maintenance, repair and replacement are necessary to address failing systems to avoid significant deterioration and larger future replacement costs.

As stated in the Inspector General's memo dated November 13, 2009, regarding Top Management and Performance Challenges in the Department of Justice, "With approximately one-fifth of BOP's 116 institutions 50 years or older, the increasing prison population also exacerbates a challenge for the BOP in repairing failing infrastructure at these institutions". In addition, the FY 2011 OIG Top Management and Performance Challenges report, dated November 8, 2011, states "Further, the BOP must constantly work to maintain the infrastructure of its aging facilities."

Several years ago, DOJ completed implementation of the Asset Management Plan (AMP) system achieving compliance with the Real Property Management initiative from OMB. The AMP inventories all real property and related information. This is a significant DOJ and BOP accomplishment as the Federal Prison System accounts for over 90 percent of all of DOJ's capital assets.

In accordance with the Administration's direction to focus on place-based policies and initiatives [M-09-28], the BOP has a long standing practice of locating many of its new federal prisons in rural areas. As stated in the White House memo "The prosperity, equity, sustainability, and livability of neighborhoods, cities and towns, and larger regions depend on the ability of the Federal government to enable locally-driven, integrated, and place-conscious solutions guided by meaningful measures, not disparate or redundant programs which neglect their impact on regional development." The BOP's positive impact on rural communities is significant. By bringing in new federal jobs,

stimulation of local businesses and housing, contracting with hospitals and other local vendors, and coordinating with local law enforcement, the BOP improves the economy of the town and the entire region where these rural facilities are located.

3. Full Program Costs

A. FY 2016 Total Bureau of Prisons Request by DOJ Strategic Goal

The BOP's mission plays a direct role in supporting DOJ, Strategic Goal 3: Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal and International Levels. In FY 2016, a total of \$140,564,000 with 239 positions and 109 FTEs is being requested for the B&F appropriation to support the DOJ goal to:

- Provide for safe, secure, humane, and cost-effective confinement and transportation of federal detainees and inmates (Strategic Goal 3.3)

The BOP's budget integrates both DOJ and BOP Strategic Goals and Objectives. Each performance objective is linked with the costs of critical strategic actions. The FY 2016 B&F budget request includes resources to continue the New Construction base program and provides an increase to the M&R base to begin to address the most critical repair needs of existing institutions.

Resources for each objective that the BOP supports are identified under each decision unit. The total costs include the following:

- The direct cost of all activities
- Indirect costs
- Common administrative systems costs

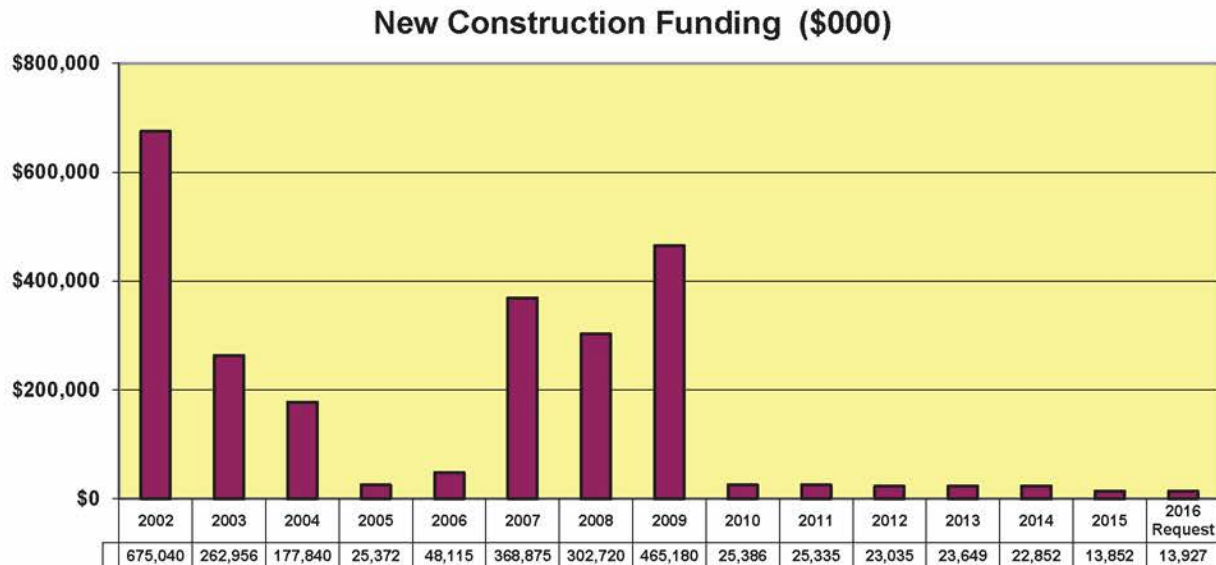
Both performance and resource tables within each decision unit justification define the total costs of achieving the strategies the BOP will implement in FY 2016.

B. FY 2016 Budget Request by Decision Unit

1. New Construction: \$13,927,000

For FY 2016, \$13,927,000 in New Construction base funds are required to provide for ongoing expenses within the decision unit. New Construction base resources are essential to the program and required for land payments of the Federal Transfer Center in Oklahoma City; salaries and administrative costs of architects, project managers, site selection, procurement, and other staff necessary to carry out the program objective; environmental requirements and geo-technical exploration; construction of inmate work program areas; expansion and conversion projects, i.e. additional special housing unit space; and any unforeseen preliminary project costs issues which may arise and are not included in the individual project cost estimate. Further, new construction base funds are utilized when site investigations are required for a project in which a specific location has not yet been identified.

The following chart shows the history of New Construction funding levels from FY 2002 to the FY 2016 Request.



Note: The BOP absorbed prior rescissions against new construction project funds of \$5.7 million in FY 2002, \$51.9 million in FY 2004, \$45 million in FY 2012, and \$64.7 million in FY 2013.

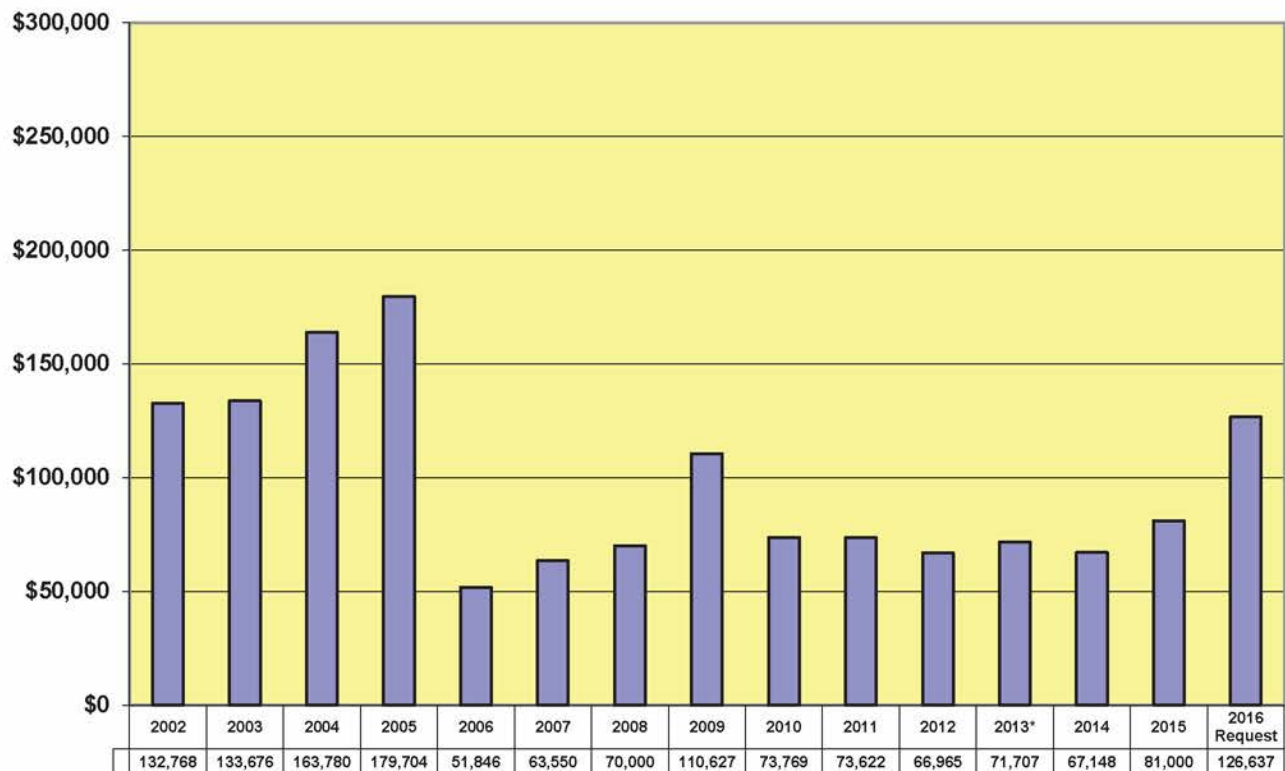
2. Modernization and Repair: \$126,637,000

It is important that sufficient funding for the M&R program be provided to address critical repair and security projects in order to safely maintain federal prisons. For FY 2016, \$126,637,000 is requested for the M&R program. The requested increase for M&R will fund some necessary repairs of BOP's aging facilities' infrastructures.

The M&R program is intended to provide the necessary resources to undertake essential rehabilitation, renovation and replacement projects at existing institutions to ensure structures, utilities systems, and other plant facilities are operational. Delays in completing needed repairs have increased the number and cost of unfunded projects as well as contributed to additional deterioration of BOP's aging and failing infrastructure. M&R is essential to institution security because deteriorated facilities add to increased risk of escape, inability to lock down cells, and violence due to frustration over inadequate living conditions, such as leaking and collapsing roofs at some locations that are in need of replacement.

The following chart shows the history of M&R funding levels and requests from FY 2002 to FY 2016.

Modernization & Repair Funding (\$000)



* This amount includes \$10 million in Supplemental Appropriation for Hurricane Sandy Relief, for repairs at prisons affected by the storm.

4. Performance Challenges

The biggest challenge facing the BOP is managing the federal inmate population and providing for their care and safety, while maintaining appropriately safe and secure prisons required to ensure the safety of BOP staff and surrounding communities within budgeted levels. The BOP is most concerned with reducing crowding, effectively managing federal inmates, and providing various inmate programs to address reentry needs.

In addition, M&R funding is important to safely and properly maintain existing prisons. Prison facilities are subjected to much heavier than normal use since they are continuously used 24 hours a day, 365 days a year, in crowded conditions. Failure to maintain structures can cause direct and/or indirect security problems.

About one-third of the BOP's 121 institutions are over 50 years old. The BOP prioritizes its major M&R projects (typically those costing about \$300,000 or more) so that the most critical are funded first in order to maintain safe and secure facilities. Maintaining sufficient M&R resources is crucial to ensuring BOP facilities are kept in an adequate state of repair for the safety of staff, inmates, and the surrounding communities. Failure to adequately maintain structures and utility systems erodes capital investment and multiplies the costs in future years for accomplishing the required maintenance and repair.

The BOP has made significant progress in environmental and energy performance and will continue to integrate and update prior practices and requirements, as funding permits. The BOP is actively utilizing the Energy Saving Performance Contract (ESPC) finance mechanism permitted by Executive Order 13423 and Energy Policy Act. An ESPC is a contract that provides for the performance of services for the design, acquisition, financing, installation, testing, operation, and where appropriate, maintenance and repair, of an identified energy or water conservation measure or series of measures at one or more locations. The contractor must incur costs of implementing energy savings measures, including at least the cost (if any) incurred in making energy audits, acquiring and installing equipment, and training personnel in exchange for a predetermined share of the value of the energy savings directly resulting from implementation of such measures during the term of the contract. Payment to the contractor is contingent upon realizing a guaranteed stream of future energy and cost savings, with any savings in excess of that guaranteed by the contractor accruing to the Federal Government.

In 2006, the BOP implemented a performance contracting schedule which incorporated each institution to complete a performance contract by the end of FY 2020. Since 2002, the BOP implemented \$340 million in energy and water conservation improvements through performance contracting, to over 30 institutions. During FY 2014, the BOP awarded performance contracts to 6 institutions, implementing over \$97 million in conservation measures.

With 121 federal prisons and over 210,600 inmates, the BOP is the largest energy and water consumer in the Department of Justice. Like all other government entities, the BOP is required to meet the goals established in the Energy Policy Act of 2005, the Energy Independence and Security Act of 2007 and Executive Order (EO) 13423. As stated, the BOP is aggressively pursuing ESPCs to help meet these goals, but with our increasing inmate population and aging infrastructure, ESPCs alone will not be enough. Currently, on the M&R backlog list, there are approximately \$29 million in energy related projects. It is estimated that during the next five years, the BOP will need over \$250 million in energy related M&R funds to meet these goals. As an example, Executive Order 13423 requires that by 2015, 15 percent of BOP buildings/institutions are to be sustainable. To be considered sustainable, these buildings have to meet the five guiding principles of sustainability. An engineering firm performed a contract study on an existing institution to determine the estimated cost to meet these guiding principles. The estimate for this work is approximately \$3 million. To meet the 15 percent requirement, the BOP would have to make 18 prisons sustainable. This alone would require approximately \$51 million in M&R funds.

In 2009, Executive Order (EO) 13514 was issued. The purpose of this EO is to reduce Green House Gases government-wide. This will require the BOP to reduce energy consumption even further. It has not yet been determined how the BOP will meet the mandates of this EO, but it is anticipated that a significant amount of M&R funds will be needed to get there. Also, in order to meet the requirements of this EO, old equipment will have to be replaced, i.e. boilers. The BOP has 35 institutions that are over 50 years old and a large amount of equipment at these institutions is inefficient and emits large quantities of greenhouse gases. If the BOP were to replace the equipment, these costs could exceed \$50 million.

The BOP is also in the process of self-certifying the Environmental Management Systems (EMS) based on requirements of International Organization Standards 14001. The main purpose of EMS is to identify operations which affect the environment. During the self-certification process, a survey team performs an inspection to determine if the institution complies with all environmental regulations. As a result of inspections, the BOP has found that many institutions require infrastructure improvements to meet regulations. For example, after an inspection that took place at USP Atlanta, it was determined that the underground fuel tanks would have to be replaced to meet the current standards. The cost of this work was approximately \$350,000. The total cost estimate to provide the necessary repairs, Bureau-wide, could amount to \$10 million. If these repairs are not made, BOP may be subjected to possible fines by the EPA, and even worse, could have an incident that damages the environment.

Environmental Accountability

Energy Savings Performance Contracts

The BOP continues its progress of improving environmental and energy performance. The BOP is aggressively pursuing the ESPC finance mechanism permitted by Executive Order 13423 and Energy Policy Act. Forty ESPCs have been initiated over the last eight years, and the BOP has moved forward with ESPCs at thirty institutions. As part of these projects, the BOP is implementing green initiatives such as solar power, wind turbines, biomass boilers, geo-thermal systems, lighting upgrades, water conservation retrofits, heating and cooling equipment replacement, and many other energy saving measures.

The BOP's ESPC Program has won the following national awards:

- DOE Small Team Award for the FCC Victorville Project
- Presidential Award for Leadership in Federal Energy Management
- GSA Award for the "Greening of Prisons"
- DOJ Energy and Environmental Awards to USP Hazelton and FCC Victorville

Since 2012, eleven institutions have been awarded energy performance contracts; the implemented Energy Conservation Measures (ECMs) are having a significant impact on the facilities consumption of water and energy. The eleven institutions include the Federal Correctional Institutions (FCI) Beckley, WV; Danbury, CT; Otisville, NY; Waseca, MN; El Reno, OK; Fort Worth, TX; Federal Prison Camp (FPC) Alderson, WV; Federal Medical Center (FMC) Rochester, MN; Carswell, TX; Federal Correctional Complex (FCC) Coleman, FL; and Metropolitan Detention Center (MDC) Brooklyn, NY. The combined square footage for the eleven institutions is 6,298,194. These institutions have a total of 76 ECMs. The ECMs included water management, lighting enhancements, sub-metering integration, building automation upgrades, HVAC measures, refrigeration improvements, building envelope, and central plant improvements to include boilers, chillers, and cooling towers. The combined impact of the energy savings and emissions reductions generated by these ECMs is allowing the BOP to make a significant contribution to the reduction of federal greenhouse gas emissions. The consolidated projected savings for the eleven sites include 1,201,467 MMBtu/yr in energy savings and 487,428 KGal/yr of water reductions and a significant saving in operation and maintenance costs.

LEED Buildings

The Leadership in Energy and Environmental Design (LEED) Green Building Rating System is the nationally accepted benchmark for design, construction and operation of high performance sustainable buildings. As part of this certification, these assets received points for a sustainable site, water efficiency, energy/atmosphere, materials/resources, indoor air quality and innovative designs. The BOP was one of the first to embrace sustainable design as early as 2002 under Executive Order 13123 working with FEMP of the DOE. The newer FCI in Butner, NC is one of the first prisons in the country to be LEED "Certified." The recently completed Aliceville, AL FCI for women achieved a Silver Rating under the LEED program, which was the first LEED Silver Rating earned for one of the BOP's new institutions. FCI Hazelton, WV received a LEED "Gold" Rating, which was also a first for the BOP. Most recently, USP Yazoo City, MS received a LEED "Silver." Future new prisons will be developed to reach a minimum level of "Silver."

As a leader in correctional design, and striving for compliance with mandates such as EO-13423, EO-13514, EPACT-2005, EISA-2007, and the Guiding Principles, BOP studied the process by which we could achieve self-sustaining facilities by the year 2030. To achieve this goal of Net-Zero Energy Buildings (Net-ZEB), BOP continues to incorporate sustainable technologies as they present themselves. Examples include Energy Recovery, Rain Water Harvesting, Geothermal Heat Exchange, and High Performance Systems. A new "Sustainable Prison Prototype" is also being developed.

Energy Conservation

In addition to ESPCs, the BOP is also pursuing energy conservation and greening projects via non-traditional methods. As an example, the BOP is researching waste to power purchasing from a company that burns waste stream materials. After years of work at FCC Allenwood, the BOP signed a contract with Lycoming County to purchase electricity produced from landfill methane gas. The methane plant supplied FCC Allenwood with 25,656,072 kwh of renewable electric power, approximately 85% of the institution's electric consumption. This project has increased county revenue, reduced greenhouse gas emissions and provided affordable electricity to the federal prisons.

In an effort to conserve energy system-wide, the BOP implemented an Energy Conservation Initiative in 2006. This initiative employs integrated design principles, optimization of energy performance and operational changes. As part of this initiative, the BOP reduced the consumption of electricity, natural gas, fuel oil, gasoline and water. This resulted in a 2 percent reduction in energy consumption over the fiscal year. Also, the BOP implemented additional water conservation initiatives in 2009 and 2012 to reduce water consumption throughout the system.

Recycling

The BOP has a very ambitious recycling program. In FY 2014, the BOP diverted over thirty percent of its waste from landfills. The total landfill wastes poundage was 270,375,051. Recycled poundage was 82,308,902, including composted poundage. The BOP has implemented a strategic plan to achieve a fifty percent solid waste diversion by 2015 and strives to continue these efforts. Data is collected each quarter from all sites to monitor progress. BOP has also developed a standardized position description for a

recycling technician and encourages all institutions to implement a full time individual to improve recycling programs.

Bio-Diesel Fuel

The BOP has several institutions with bio-diesel operations producing this renewable substitute for petroleum diesel. At these facilities, waste kitchen grease is converted into bio-diesel, and is used in vehicles and lawn equipment. In FY 2014 the agency's vehicle fleet consumed 20.5 thousand gallons of B20 blended biodiesel.

Water Conservation

Water reduction challenges for the BOP continue to be a high priority. The current method of measuring for water reduction is gallons per square feet. It is difficult to achieve reductions in water usage due to inmate crowding in BOP facilities. In efforts to achieve current Executive Orders and Mandates concerning water conservation, the Agency's Director issued a "Water Conservation Initiative" memorandum on March 5, 2012. The memorandum outlined water conservation requirements; to include monthly monitoring of water use, and new reporting obligations. The BOP continues implementation of water reduction measures in ESPCs and the use of water efficient products where feasible. Together, these efforts reduced the Federal Bureau of Prison's water use by 52.8 million gallons of water from fiscal year 2013 to fiscal year 2014.

II. Summary of Program Changes

Item Name	Description				Page
		Pos.	FTE	Dollars (\$000)	
Modernization and Repair Increase	Program Increase	0	0	34,250	30
Total Program Changes		0	0	\$34,250	

III: Appropriations Language and Analysis of Appropriations Language

Appropriations Language

New language proposed for FY 2016 is italicized and underlined, and FY 2015 Requested language proposed for deletion is bracketed.

Buildings and Facilities

For planning, acquisition of sites and construction of new facilities; purchase and acquisition of facilities and remodeling, and equipping of such facilities for penal and correctional use, including all necessary expenses incident thereto, by contract or force account; and constructing, remodeling, and equipping necessary buildings and facilities at existing penal and correctional institutions, including all necessary expenses incident thereto, by contract or force account, [\$106,000,000] *\$140,564,000*, to remain available until expended, [of which \$25,000,000 shall be available only for costs related to construction of new facilities, and] of which not less than [\$81,000,000] *\$126,637,000* shall be available only for modernization, maintenance and repair, *and of which not to exceed \$14,000,000 shall be available to construct areas for inmate work programs:* Provided, That labor of United States prisoners may be used for work performed under this appropriation. (*Department of Justice Appropriations Act, 2015.*)

Analysis of Appropriation Language

Re-insertion of language regarding inmate work program areas: Inmate work programs continue to be an important tool in BOP's reentry efforts and the flexibility of adding work space to accommodate additional participants is required.

IV. Decision Unit Justification

A. New Construction

New Construction	Direct Pos.	Estimate FTE	Amount (\$000)
2014 Enacted	98	60	22,852
2015 Enacted	98	60	25,000
Adjustments to Base and Technical Adjustments	0	0	-11,073
2016 Current Services	98	60	13,927
2016 Request	98	60	13,927
Total Change 2015-2016	0	0	-\$11,073

1. Program Description

New Construction

For FY 2016, \$13,927,000 in New Construction base funds are required to provide for ongoing expenses within the decision unit. New Construction base resources are required for land payments of the Federal Transfer Center in Oklahoma City; salaries and administrative costs of architects, project managers, site selection, procurement, and other staff necessary to carry out the program objective; environmental requirements and geo-technical exploration; construction of inmate work program areas; expansion and conversion projects, i.e. additional special housing unit space; and any unforeseen preliminary project costs issues which may arise and are not included in the individual project cost estimate. Further, new construction base funds are utilized when site investigations are required for a project in which a specific location has not yet been identified.

Most criminal justice agencies have some degree of discretion in controlling their workloads, typically through priority systems developed to ensure that the most important cases are handled first. However, the BOP must, by law, accept all inmates sentenced to confinement by the Federal courts. In addition, in accordance with the D.C. Revitalization Act of 1997, the BOP must accept responsibility for the District of Columbia sentenced felon population.

The BOP regularly reviews capacity requirements, considers the current and projected inmate population levels, current law enforcement initiatives, geographic origin of the confined population, and the age and condition of existing facilities. The BOP strives to manage the already large population and resulting overcrowding to ensure that federal inmates continue to serve their sentences in a safe and humane environment.

The BOP strives to accommodate its population in the safest and most cost effective manner. The BOP continues to explore opportunities for increasing capacity through the utilization of contract facilities, expansion of existing facilities, acquisition and

conversion of military and other properties to prison use, and the ongoing design and construction of new prisons, consistent with capacity planning and available funding.

From a cost perspective, the expansion of existing institutions is considered by BOP to be a cost effective technique for increasing prison capacity, and the BOP has added housing units at facilities where program space and systems infrastructure can absorb further population increases. However, where major program and support areas, such as food service and utilities are at capacity, institutional expansion may be cost prohibitive and other alternatives are considered.

GAO Report 08-634, *Prison Construction*, recommended that the BOP communicate in DOJ's annual Congressional budget submission: (1) the extent to which project costs may vary from initial estimates, and (2) changes that may impact the functionality of projects.

- (1) Actual Costs May Vary from Initial Estimates - The cost estimates appearing on the Status of Construction exhibit are preliminary and are updated periodically based on the following factors: when full construction funds are anticipated to become available; geographic location; historical and projected cost escalation; and allowances for uncertainty as to actual sites to be developed. Preliminary estimates in this budget have been adjusted primarily due to when full construction funds are anticipated to become available and based on security level and capacity changes noted below. Although cost escalation has been lower in recent years, preliminary cost estimates historically increase (approximately five percent or more) each year until full funding is provided for projects and construction contracts can be awarded.
- (2) Changes from the FY 2015 Congressional Budget – There are no significant project changes from the FY 2015 Congressional budget submission that would impact the functionality of projects.

2. Performance and Resource Tables

PERFORMANCE AND RESOURCES TABLE												
Decision Unit: New Construction												
RESOURCES												
			Target		Actual		Projected		Changes		Requested (Total)	
			FY 2014		FY 2014		FY 2015		Current Services Adjustments and FY 2016 Program Changes		FY 2016 Request	
			FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
Total Costs and FTE			109	90,000	89	90,000	109	106,000	0	34,564	109	140,564
			FY 2014		FY 2014		FY 2015		Current Services Adjustments and FY 2016 Program Changes		FY 2016 Request	
TYPE	STRATEGIC OBJECTIVE	PERFORMANCE	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
Program Activity	3.3	New Construction	60	22,852	45	22,852	60	25,000	0	-11,073	60	13,927
Performance Measure	3.3	Number of Environmental Impact Studies/Environmental Assessments completed	0	0	0	0	5	2	7			
Performance Measure	3.3	Number of major construction awards	0	0	0	0	0	0	0			
Performance Measure	3.3	System-wide crowding level	33%		30%		24%	(9%)	15%			
OUTCOME	3.3	Number of facilities completed	0		0		0	0	0			
Data Definition: The crowding levels are based on a mathematical ratio of the number of inmates divided by the rated capacity of the institutions at each of the specific security levels. The percent of crowding represents the rate of crowding that is over rated capacity. For example, if an institution had a number of inmates that equaled the rated capacity, this would represent 100% occupancy, which equals 0% crowding. Any occupancy above 100% represents a percentage of crowding. System-wide: represents all inmates in BOP facilities and all rated capacity, including secure and non-secure facilities, low, medium, and high security levels, as well as administrative maximum, detention, medical, holdover, and other special housing unit categories. For new construction projects, a Notice to Proceed (NTP) is issued by the contracting officer, shortly after award of a design-build contract. The NTP authorizes the contractor to begin work under the contract, initially the start of design. Mission critical facilities are all existing BOP institutions.												
Data Collection and Storage: Data are gathered from several computer systems. Each project is assigned a specific project code. Each obligation and expenditure is entered into the Financial Management Information System (FMIS) by the specific project code. Award of design-build contracts for new construction projects are maintained and monitored through the BOP's fund control system and DOJ's FMIS. Inmate data are collected on the BOP on-line system (SENTRY). The BOP also utilizes a population forecast model to plan for future contracting and construction requirements to meet capacity needs.												

Data Validation and Verification: Within BOP headquarters, staff retrieve and verify data on a daily basis, analyze it, and formulate reports and projections. Purchase requests for design-build contracts are approved by specific project management staff (based on dollar threshold limitations); commitments are entered into a computer based fund control system; and purchase requests are forwarded for procurement action. Once the procurement office awards a contract/purchase order, the obligation is entered into the DOJ FMIS. Each month, FMIS obligations are reconciled with the BOP's fund control register by project, and forwarded to the Central Office Finance Branch, Business Office, to ensure accuracy and compliance. The contracting officer issues the NTP, shortly after award of a design-build contract. The award of a contract is based on completing the procurement of the contract and receipt of the necessary environmental or political requirements or clearances. Subject matter experts review and analyze population and capacity levels daily, both overall and by security level. BOP institutions print a SENTRY report, which provides the count of inmates within every institution cell house. The report further subdivides the cell houses into counting groups, based on the layout of the institution. Using this report, institution staff conduct an official inmate count five times per day to confirm the inmate count within SENTRY. The BOP Capacity Planning Committee (CPC), comprised of top BOP officials, meets quarterly to review, verify, and update population projections and capacity needs for the BOP. Offender data are collected regularly from the Administrative Office of the U.S. Courts by the BOP Office of Research and Evaluation in order to project population trends. The CPC reconciles bed space needs and crowding trends to ensure that all available prison space is fully utilized, both in federal prisons and in contract care.

Data Limitations: Due to the unpredictable environment in prisons and other external factors, there may be discrepancies between projected and actual numbers contained in the performance tables. Most plans are developed based on historical data, and past experience to project for the future. In addition, budget delays and shortfalls also affect performance results. The time required for a project to go from NTP to "completion" depends on numerous factors, such as: the extent of site development or remediation activities required; climate of the project site (how many months of good construction weather); what time of year the NTP is issued; unusual weather; unforeseen site conditions; and quality of management by the contractor.

PERFORMANCE MEASURE TABLE										
Decision Unit: New Construction										
Performance Report and Performance Plan Targets		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014		FY 2015	FY 2016	
		Actual	Actual	Actual	Actual	Target	Actual	Target	Target	
Performance Measure	Number of Environmental Impact Studies/Environmental Assessments completed.	2	2	1	0	0	0	5	7	
Performance Measure	Number of major construction awards	0	0	0	0	0	0	0	0	
Performance Measure	System-wide Crowding in Federal Prisons	37%	39%	38%	36%	33%	30%	24%	15%	
OUTCOME Measure	Number of facilities completed	3	0	1	2	0	0	0	0	

3. Performance, Resources, and Strategies

The New Construction decision unit contributes directly to the Department's Strategic Goal 3: Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal, and International Levels. Within this Goal, the decision unit's resources specifically address the Department's Strategic Objectives 3.3: Provide safe, secure, humane, and cost effective confinement and transportation of federal detainees and inmates.

a. Performance Plan and Report for Outcomes

As illustrated in the preceding Performance and Resources Table, the outcome measure for this decision unit is number of facilities completed/constructed.

Three Environmental Assessments (EAs) and two Environmental Impact Studies (EIS) are anticipated for 2015. For FY 2016, seven EA's are anticipated.

The BOP did not have any major construction awards in FY 2013 and BOP anticipates no major construction awards in FY 2014, FY 2015 and FY 2016. In FY 2013, the BOP completed the remaining two ongoing construction projects (USP Yazoo City, MS and FCI Hazelton, WV). For FY 2014, FY 2015 and FY 2016 there are no facilities anticipated for completion.

The population projections are based on data and information from a variety of sources including the Administrative Office of the U.S. Courts, the U.S. Sentencing Commission, other DOJ components, and the BOP's own information system (SENTRY). Additional capacity projections rely on future enactment of funding for contract beds, acquisitions, new construction, and activations. In FY 2014, the actual system-wide crowding was 30 percent. BOP's new projections for system-wide crowding (per the most recent capacity plan) are estimated at 24 percent for FY 2015, and 15 percent for FY 2016.

b. Strategies to Accomplish Outcomes

The BOP strives to acquire needed capacity through a multi-pronged approach of contracts with private providers of correctional services for male low security special populations, with state and local governments, expansions of existing facilities, and construction and acquisition of new prisons, as funding permits. BOP continues to contract out for male special population low and minimum security inmates. A total of 40,850 inmates (19.4 percent) were housed in contract confinement as of January 8, 2015.

c. Priority Goals

N/A

B. Modernization and Repair

Modernization and Repair	Direct. Pos.	Estimate FTE	Amount (\$000)
2014 Enacted	141	49	67,148
2015 Enacted	141	49	81,000
Adjustments to Base and Technical Adjustments	0	0	11,387
2016 Current Services	141	49	92,387
2016 Program Increases	0	0	34,250
2016 Request	141	49	126,637
Total Change 2015-2016	0	0	\$45,637

1. Program Description

Modernization and Repair

For FY 2016, a total of \$126,637,000 is requested for the Modernization and Repair (M&R) base program. This includes \$34,250,000 as a program increase to fund critical repairs of BOP's aging facilities' infrastructures. This program is intended to provide the base resources to undertake essential rehabilitation; modernization and renovation of buildings, other structures, and associated systems; necessary modifications to meet legal requirements and accommodate correctional programs; repair or replacement of utilities systems; and other critical infrastructure and repair projects at existing institutions in order to keep all systems and structures in a good state of repair. Proper maintenance, modernization, and repair of BOP institutions are essential. Failure to adequately maintain structures and utility systems erodes capital investment and multiplies the costs in future years for accomplishing the required maintenance and repair. Most important, failure to maintain structures can cause direct and/or indirect security problems.

Most maintenance and repair projects are performed using inmate work crews. This provides instructional work for inmates and labor for the work to be performed. Inmate work crews require staff supervision to direct the work being performed and for obvious security reasons.

Almost one-third of the BOP's 121 institutions are over 50 years old, and most have not undergone major renovations from the time they were constructed or acquired and converted to prison use by the BOP. Each facility has numerous buildings on the compound, including inmate living quarters, many of which require extensive work to maintain an adequate state of repair to assure that they meet established standards. Prison facilities are subjected to much heavier than normal use, since they are continuously used 24 hours a day, 365 days a year, in overcrowded conditions. Because of the size of the population, at medium and high security prisons, the facilities are over utilized, causing extensive wear and tear, as well as premature deterioration. This is especially true in many of the older facilities where the utility system infrastructures (water, sewer, electrical, and heating/air conditioning) were originally designed for a smaller inmate population.

Institutions perform detailed annual inspections of all areas of their physical plants and provide a list of projects to their regional office for all items that are in need of remedial action. The regional offices consolidate major project request lists from their facilities and forward the priority lists to the central office. The central office prioritizes all the major M&R project requests (typically those over \$300,000) submitted by the regions and allocates funds for as many projects as practical.

As of December 31, 2014, the BOP had 668 ongoing major and minor M&R projects at various stages of completion. Individual project costs range from a low of \$10,000 to many millions of dollars. To manage this volume of projects and resources most efficiently, the BOP has significantly improved the M&R program by using long range master planning with detailed surveys of older facilities, and establishing a project time limit policy (three years).

To address the large inventory of older facilities, the BOP established a Long Range Master Plan that includes surveys of pertinent facilities. The first facilities to be surveyed were those over 50 years old and have not had any major renovations. Surveys were conducted by contractors to determine the extent of renovations required to bring the older facilities to an adequate state of repair, and whether the costs of repair would equal or exceed the cost of replacing the facility. Survey results, along with other known renovation needs, are then used by management in a long range plan to prioritize and plan M&R projects.

A three year time limit policy for M&R projects was implemented in 1998 to ensure that institutions complete scheduled projects in a timely manner or the projects will be cancelled. When a project is cancelled, the funding is applied to the next highest priority project. All projects are monitored to inform local, regional, and central office management of projects that may not meet the time limit. The number of M&R projects being cancelled per fiscal year decreased from 65 in FY 2002 to three in FY 2014.

The replacement value method of requesting funding was first implemented in FY 2000 and allowed the BOP to adopt a project management approach to the M&R program since it should ensure a reliable funding stream and stable work force. This method is based on recommendations of the Federal Facilities Council (FFC), which recommends that facilities maintenance programs should be funded at two to four percent of their replacement value.

Using a replacement value method of funding, rather than the previous line item method, allows projects to be planned well in advance, and preliminary/preparation work can be performed prior to the scheduled start of the projects. Previously, preliminary work could not always be performed since this required considerable expense, and there was no assurance projects would be funded. In addition, staff and jobs can now be scheduled to meet the unique requirements of each institution and project (i.e. shifting inmates between housing units at a given institution). The level of planning provided by this funding method enables management to obligate funds and start projects on schedule, which was not previously the case. Under the prior method, projects were funded up-

front as line items and staff and funding were dedicated to specific projects, which could not be started until preliminary/preparation work was completed.

The replacement value method of funding has shortened the time required to complete large M&R projects, through concurrent management of projects in phases, based on projected availability of funds. Under this method, managers can plan projects in smaller stages over a longer period of time and can schedule work to allow for regional and seasonal weather conditions, as well as the unique needs of the facilities and availability of local contractors. Prior to this method, it could take BOP four to five years to complete large M&R projects. With the replacement value method, the time to complete these projects can be reduced by two to three years.

The BOP M&R projects are classified under five general categories for internal management purposes (Life Safety, General Improvements, Infrastructure Improvements, Hazardous Waste, and Energy Savings). Within each of these categories are special projects to meet various regulations and codes requirements. Life Safety projects are required to make corrective actions in order to comply with National Fire Code (NFPA 101) standards. General Improvement projects are established to modernize and/or improve equipment, entire rooms, such as kitchens, or buildings that require total rehabilitation of structures, including walls, floors and windows. Infrastructure Improvement projects are established to modernize or replace utilities, such as water pipes and electrical systems. Hazardous Waste projects are established to abate hazardous waste, such as asbestos, through removal, encapsulation, and other methods as necessary. Energy Savings projects are established to conserve energy by using more energy efficient equipment and systems. Energy projects are also required to meet pertinent energy conservation laws and regulations.

The five categories may also contain subcategories of projects (such as Accessibility, Environmental, and others) to meet specific needs. For example, General Improvement projects may each include smaller Accessibility projects to meet Architectural Barriers Act requirements. Environmental projects are necessary for the BOP to be in compliance with environmental and safety regulations required by the Environmental Protection Agency (EPA) and the Office of Safety and Health Administration (OSHA).

The M&R program has demonstrated substantial improvements through the implementation of the Long Range Planning method with its associated facility surveys, the project time limit policy, and the two percent replacement value method of requesting funding. These changes have helped the BOP complete more projects in a shorter period of time and stretch its repair dollars. With the time limit policy, the BOP has been able to substantially reduce the M&R unobligated balance from over \$118 million in FY 1999 down to \$26.5 million at the end of FY 2014.

Sufficient funding for the M&R program allows the BOP to plan projects and schedule work appropriately, instead of patching-up repairs and constantly responding to a flurry of emergency type projects. As a result of past funding levels, the BOP maintains a backlog of M&R major project priorities totaling 223 projects at an approximate cost of \$429 million. This list does not encompass all of BOP's M&R needs. The list reflects

only those major projects (typically costing over \$300,000) that have been approved to receive funding as resources become available. Also, the list does not reflect the universe of unfunded repair and improvement minor projects (less than \$300,000) which are managed and prioritized at the regional level.

2. Performance and Resource Tables

PERFORMANCE AND RESOURCE TABLE													
Decision Unit: Modernization and Repair of Existing Facilities													
RESOURCES		Target		Actual		Projected		Changes		Requested (Total)			
Total Costs and FTE		FY 2014		FY 2014		FY 2015		Current Services Adjustments and FY 2016 Program Changes		FY 2016 Request			
		FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000		
		109	90,000	89	90,000	109	106,000	0	34,564	109	140,564		
TYPE		PERFORMANCE		FY 2014		FY 2015		Current Services Adjustments and FY 2016 Program Changes		FY 2016 Request			
Program Activity	3.3	Modernization and Repair of Existing Facilities		FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000		
		49	67,148	44	67,148	49	81,000	0	45,637	49	126,637		
Workload Measure	3.3	Total projects completed and closed		285		452		300		25		325	
Workload Measure	3.3	Total projects active at year end		650		568		618		175		793	
Performance Measure	3.3	Number of facilities over 30 years old		51		51		52		1		53	
Performance Measure	3.3	Number of facilities over 50 years old		35		35		36		0		36	
Outcome	3.3	Dollar value of fines for violations		0		0		0		0		0	
Data Definition: The total M&R projects active and those completed and closed are obtained from BOP's database in Microsoft Access that is used to establish and monitor B&F projects. Projects are considered active as soon as they are established in the database. Projects are considered completed and closed once they are officially closed in FMIS at which time the project is closed in BOP's database. The age of BOP facilities is calculated from a database developed to identify the year each institution was constructed. The three-year time limit policy for Modernization and Repair (M&R) projects means that institutions are allowed three years to complete scheduled projects or the project is canceled and the funds are committed to other high priority M&R projects. To ensure that electronic equipment utilized for life safety sustains trouble-free operation, the BOP schedules life cycle equipment replacement based on a ten-year cycle. The critical equipment is radio systems and PBX (Public Branch Exchange) systems. Mission critical facilities are all existing BOP institutions.													

Data Collection and Storage: Data are gathered from several computer systems. Each project is assigned a specific project code. Each obligation and expenditure is entered into FMIS by the specific project code. M&R projects are closely monitored to ensure completion and closure prior to the 3-year time limit. At the start of every fiscal year, the BOP's Central Office identifies the M&R projects that will reach the 3-year time limit by the end of that fiscal year. The BOP relies on an in-house house data base in Microsoft Access and DOJ's FMIS to effectively track and manage M&R projects (dates and costs). The BOP uses the Total Maintenance System (TMS) program to determine nationally which radio, PBX System and equipment qualify for replacement annually, based on age and performance.

Data Validation and Verification: Within BOP headquarters, staff retrieve and verify data on a daily basis, analyze it, and formulate reports and projections. Subject matter experts review and analyze population and capacity levels daily, both overall and by security level. Purchase requests are approved by specific project management staff (based on dollar threshold limitations); commitments are entered into a computer based fund control system; and purchase requests are forwarded for procurement action. Once the procurement office awards a contract/purchase order, the obligation is entered into the DOJ FMIS. Each month, FMIS obligations are reconciled with the BOP's fund control register by project, and forwarded to the Central Office Finance Branch, Business Office, to ensure accuracy and compliance. M&R data is maintained in the Microsoft Access database and is verified periodically against FMIS which also tracks the financial status of projects. On an annual basis, the BOP's Central Office Facilities Branch documents which electronic equipment, utilized for life safety, will be at the end of the ten year life cycle. This is accomplished through review and evaluation of the systems by field staff, the contractor, and close monitoring of the TMS program. Each institution enters their data into the TMS program and the information on the critical equipment is reviewed and verified by their respective Regional Office for accurate dates and equipment condition.

Data Limitations: Due to the unpredictable environment in prisons and other external factors, there may be discrepancies between projected and actual numbers contained in the performance tables. Most plans are all required equipment replacements based on the ten-year life cycle developed based on historical data, and past experience to project for the future. In addition, budget delays and shortfalls also affect performance results. For example, due to budget shortfalls in the M&R program projects could not be completed due to limited funds, and some replacements had to be delayed to the following year.

PERFORMANCE MEASURE TABLE													
Decision Unit: Modernization & Repair													
Strategic Objective	Performance Report and Performance Plan Targets	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014		FY 2015	FY 2016				
		Actual	Actual	Actual	Actual	Target	Actual	Target	Target				
3.3	Workload Measure	441/586	435/615	300/665	420/527	285/650	452/568	300/618	325/793				
3.3	Performance Measure	50	50	51	51	51	51	52	53				
3.3	Performance Measure	33	33	33	34	35	35	36	36				

3. Performance, Resources, and Strategies

The Modernization and Repair (M&R) decision unit contributes directly to the Department's Strategic Goal 3: Ensure and Support the Fair, Impartial, Efficient, and Transparent administration of Justice at the Federal, State, Local, Tribal, and International Levels. Within this Goal, the decision unit's resources specifically address the Department's Strategic Objectives 3.3: Provide safe, secure, humane, and cost effective confinement and transportation of federal detainees and inmates.

a. Performance Plan and Report for Outcomes

As illustrated in the preceding Performance and Resources Table, the outcome measures for this decision unit include: Court ordered remedial projects and Dollar value of fines for violations.

The BOP funds M&R projects within its available resource level. In FY 2014, BOP completed and closed 452 M&R projects, leaving 568 active at year end. For FY 2015, BOP anticipates completing 300 M&R projects, leaving 618 active at year end, and for FY 2016 BOP anticipates completing 325 M&R projects, leaving 793 active at year end. Institutions perform detailed annual inspections of all areas of their physical plants and provide a list of projects to their regional office for all items which are in need of remedial action, and they are placed on a priority list for funding.

b. Strategies to Accomplish Outcomes

The M&R program has demonstrated substantial improvements through the implementation of the Long Range Planning method with its associated facility surveys and the project time limit policy.

c. Priority Goals

N/A

V. Program Increases by Item

Item Name: Modernization and Repair (M&R) Program Increase

Strategic Goal: Goal 3: Ensure and Support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal and International Level

Strategic Objective: 3.3 Provide safe, secure, humane, and cost-effective confinement and transportation of federal detainees and inmates

Budget Decision Unit: Modernization and Repair

Organizational Program: Modernization and Repair

Program Increase:	<u>Pos.</u>	<u>Agt/Atty</u>	<u>FTE</u>	<u>Dollars (\$000)</u>
M&R Program Increase	<u>0</u>	<u>0</u>	<u>0</u>	<u>34,250</u>
TOTAL	0	0	0	\$34,250

Description of Item

For FY 2016, BOP requests an increase of \$34,250,000 to the M&R base program. Due to overcrowding, BOP facilities continue to be over utilized, which causes extensive wear and tear as well as premature deterioration. Additional M&R resources will permit the BOP to tend to some critical and failing infrastructure needs and begin to reduce the large backlog of unfunded projects.

Support of the Department's Strategic Goals

The FY 2016 request supports the Department's Strategic Goal 3: Ensure and support the Fair, Impartial, Efficient, and Transparent Administration of Justice at the Federal, State, Local, Tribal and International Levels. The BOP protects public safety by ensuring federal offenders serve their sentence of imprisonment in institutions that are safe, humane, cost-efficient, and appropriately secure. Additionally, the BOP helps reduce future criminal activity by encouraging inmates to participate in a range of programs that have been proven to help them adopt a crime-free lifestyle upon their return to the community. This request provides an increase to the M&R base to begin to address the most critical repair needs of existing institutions so inmates can continue to serve their sentences in safe and secure environments.

Justification

For many years, the BOP's M&R funding would mainly be allocated to emergency and life safety projects, and a minimal amount would go to the highest priority major projects. This has led to a severe backlog of unfunded M&R priority projects. This list of projects will continue to grow every year the BOP does not receive additional M&R resources.

The current backlog of BOP unfunded M&R priorities totals 223 projects at an approximate cost of \$429 million. This list is not all encompassing of BOP's M&R needs. The list reflects only

those projects over \$300,000, which have been approved to receive funding as it becomes available. The list does not reflect the universe of unfunded repair and improvement projects less than \$300,000 which are managed and prioritized at the regional level. This request to increase the M&R program, in FY 2016, will allow the BOP to begin to address the greatest priorities on the backlog list and help to manage this ever growing inventory of projects.

If increased M&R funding is provided, the BOP would be able to replace aged equipment with energy efficient models, thus resulting in reduced energy costs and consumption, as well as becoming more environmentally friendly and reliable. Moreover, instead of constantly reacting to emergency repairs, an increased M&R base would permit managers to plan and fund larger infrastructure repairs/replacement projects and achieve cost savings while improving deteriorating infrastructure in one project instead of funding them in phases.

Failure to appropriately maintain structures and utility systems can cause direct and/or indirect security problems and jeopardize the mission of the BOP to maintain safe and humane institutions. The BOP uses inmate work crews to complete many of the maintenance and repair projects, which reduces costs and provides more work for inmates. Additionally, the effect of these M&R resources will also help local economies by creating employment opportunities for the large contracting firms down to the local hardware stores as materials and supplies are purchased to accomplish these essential M&R projects.

Impact on Performance

This request to increase the M&R base program is vital to safe operations and preserving infrastructures of existing BOP prisons. Without additional funding, current difficulties for this program will continue and the backlog of required M&R projects will increase even more. Further, the BOP would be forced to continue to operate under a severely constrained M&R budget that only allows resources to be reactive to emergencies as major infrastructure and life safety systems begin to fail. If funding is not provided to adequately maintain this program, the BOP will eventually be left with an eroded capital investment and an unmanageable number of repairs with costs that have multiplied over the years.

M&R Funding

Base Funding

FY 2014 Enacted			FY 2015 Enacted			FY 2016 Current Services		
Pos	FTE	\$(000)	Pos	FTE	\$(000)	Pos	FTE	\$(000)
141	49	\$67,148	141	49	\$81,000	141	49	\$92,387

Non-Personnel Increase/ Cost Summary

Non-Personnel Item	Unit	Quantity	FY 2016 Request (\$000)	FY 2017 Net Annualization (change from 2016) (\$000)	FY 2018 Net Annualization (change from 2017) (\$000)
Project Costs	1	1	\$34,250	\$0	\$0
Total Non-Personnel	1	1	\$34,250	\$0	\$0

Total Request for this Item

	Pos	FTE	Personnel (\$000)	Non-Personnel (\$000)	Total (\$000)	FY 2017 Net Annualization (change from 2016) (\$000)	FY 2018 Net Annualization (change from 2017) (\$000)
Current Services	141	49	\$0	\$0	\$81,000	\$0	\$0
Increases:							
M&R	0	0	\$0	\$34,250	\$34,250	0	0
Grand Total	0	0	\$0	\$34,250	\$34,250	\$0	0